

DOCUMENT RESUME

ED 409 389

UD 031 779

AUTHOR Maynard, Rebecca A., Ed.
TITLE Kids Having Kids. A Special Report on the Costs of Adolescent Childbearing.
INSTITUTION Catalyst Inst., New York, NY.
SPONS AGENCY Robin Hood Foundation, New York, NY.
PUB DATE [96]
NOTE 30p.
PUB TYPE Reports - Evaluative (142)
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Adolescents; Child Welfare; *Costs; Disadvantaged Youth; Dropouts; *Early Parenthood; Economic Factors; Family Structure; Fathers; Mothers; Poverty; *Pregnancy; Social Problems; *Welfare Recipients
IDENTIFIERS Welfare Reform

ABSTRACT

This report represents a synthesis of research conducted on the consequences of adolescent childbearing for adolescent mothers, their children, the fathers of their children, and the United States. Each year, nearly one million teenagers in the United States become pregnant. About one-third of these 15- to 19-year-old females abort their pregnancies, 14% miscarry, and 52% have their children, 72% of them out of wedlock. The public focus on adolescent childbearing has been fueled by high and rising child poverty rates, an increase in the number of welfare recipients, and an increase in welfare recipients with a long average duration of dependency. The children of adolescent mothers face health and cognitive disadvantages and are more likely to be abused. They are less likely than their peers to grow up in families with fathers, and they are more likely to enter foster care, have trouble in school, drop out of school, or become adolescent parents themselves. Adolescent mothers themselves face poor life prospects. Seven of 10 drop out of high school, and their earnings average less than half of the poverty level. While boys are one-third as likely as girls to become adolescent parents, they also are less likely to finish high school and they are less well-prepared to contribute to their children's support. After looking at five important dimensions of the problem, researchers have concluded that adolescent childbearing costs the country's taxpayers \$6.9 billion each year through higher public assistance and medical care costs and the costs of foster care and the justice system that can be linked to adolescent childbearing. A loss in national productivity is a cost to the nation that is difficult to quantify. This report focuses on young women who have their first child at the age of 17 or younger, but there are many adverse consequences, even though more modest, for older teens who have children. (Contains 12 graphs.) (SLD)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

ED 409 389

UD

KIDS HAVING KIDS

Robin Hood Foundation

Foundation
for the Study of
Child Care

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

☒ This document has been reproduced as
received from the person or organization
originating it.
☐ Minor changes have been made to improve
reproduction quality.

• Points of view or opinions stated in this docu-
ment do not necessarily represent official
OERI position or policy.

PERMISSION TO REPRODUCE AND
DISSEMINATE THIS MATERIAL
HAS BEEN GRANTED BY

David S. Seltzman

Robin Hood Foundation

TO THE EDUCATIONAL RESOURCES
INFORMATION CENTER (ERIC)

UD 031 779

BEST COPY AVAILABLE

KIDS HAVING KIDS

A Robin Hood Foundation Special Report on the
Costs of Adolescent Childbearing

Rebecca A. Maynard, Editor

Kids Having Kids

A Special Report on the Costs of Adolescent Childbearing

This report was prepared for the Robin Hood Foundation under its grant to the Catalyst Institute to organize and oversee a unique research project to further our understanding of the consequences of adolescent childbearing for adolescent mothers, for their children, for the fathers of their children, and for the nation. The Catalyst Institute commissioned outstanding scholars to undertake independent research on various aspects of this issue. So, too, they commissioned me to prepare this synthesis of the scholars' research. All of us working on this project have been encouraged to express our own judgments freely, which we have done. Therefore, neither this report nor the supporting research by the project scholars necessarily represents the official opinion or policy of the Robin Hood Foundation or of the Catalyst Institute.

Rebecca A. Maynard, Editor

Kids Having Kids

A Special Report on the Costs of Adolescent Childbearing

Acknowledgments

This report evolved from the vision of Paul Tudor Jones, chairman of the Robin Hood Foundation Board of Directors, and David Saltzman, executive director of the Robin Hood Foundation; the research of 15 of the nation's leading scholars of economic and social welfare policy; and the management talents of the Catalyst Institute. Paul Tudor Jones, David Saltzman, and the Robin Hood Foundation board conceived of and provided financial support for the project. Lisa Smith, the foundation's deputy director, worked on various aspects of the study from start to finish. Charlotte Koelling and Suzanne Hammond of the Catalyst Institute provided ongoing managerial and editorial support. Norman Atkins provided expert consultation on the report structure and dissemination package, and Margot Frankel was responsible for the final report design. The substantive content of the report is largely the product of intellectually challenging and tedious work by the *Kids Having Kids* scholars: Michael Brien, Robert Goerge, Angela Greene, Jeff Grogger, Robert Haveman, V. Joseph Hotz, Bong Joo Lee, Susan McElroy, Kristin Sanders, Robert Willis, and Barbara Wolfe. They conducted their excellent

Kids Having Kids

A Special Report on the Costs of Adolescent Childbearing

independent research projects and also patiently worked with me to find creative solutions to a number of analytic issues that were key to estimating the overall costs of adolescent childbearing. The entire *Kids Having Kids* project benefited greatly from the input of an outstanding project advisory group. The advisory group met with the scholars on several occasions to review the project plans and progress. They also offered their time generously to individual members of the project staff as needed. Frank Furstenberg, Robert Moffitt, and David Myers provided especially valuable guidance to the scholars and me through their thoughtful comments on drafts of each of the project reports and this synthesis report. Leslie Barber proofread the entire report. I also must acknowledge the expert research assistance and production support provided by Louise Alexander, Meredith Kelsey, Dan McGrath, and Steve Hocker of the University of Pennsylvania. They read and summarized the thousand-plus pages of text in the scholars' reports, worked diligently on the cost analysis, and produced the many graphs and charts for the report.

Rebecca A. Maynard, University of Pennsylvania

Kids Having Kids

A Special Report on the Costs of Adolescent Childbearing

Scholars

Michael J. Brien, *University of Virginia*

Robert M. Goerge, *University of Chicago*

Angela Dungee Greene, *Child Trends, Inc.*

Jeff Grogger, *University of California, Santa Barbara*

Robert Haveman, *University of Wisconsin*

V. Joseph Hotz, *University of Chicago*

Bong Joo Lee, *Boston University*

Susan Williams McElroy, *Carnegie Mellon University*

Kristin A. Moore, *Child Trends, Inc.*

Donna Ruane Morrison, *Georgetown University*

Maria Perozek, *University of Wisconsin*

Elaine Peterson, *University of Wisconsin*

Seth G. Sanders, *Carnegie Mellon University*

Robert J. Willis, *University of Michigan*

Barbara Wolfe, *University of Wisconsin*

Kids Having Kids

A Special Report on the Costs of Adolescent Childbearing

Advisory Group

Elijah Anderson, *University of Pennsylvania*

Wendy Baldwin, *National Institutes of Health*

Douglas Besharov, *American Enterprise Institute*

Claire Brindis, *University of California, San Francisco*

Sarah Brown, *The Institute of Medicine, National Academy of Sciences*

Michael A. Carrera, *Children's Aid Society of New York*

Mary Elizabeth Corcoran, *University of Michigan*

Sheldon H. Danziger, *University of Michigan*

Joy Dryfoos, *Consultant*

David Ellwood, *Harvard University*

Jacqueline D. Forrest, *The Alan Guttmacher Institute*

Frank Furstenberg, *University of Pennsylvania*

Irving B. Harris, *The Harris Foundation*

Karen Hein, *United States Senate*

Evelyn Kappeler, *U.S. Department of Health and Human Services*

Marianna Kastrinakis, *U.S. Department of Health and Human Services*

Arleen Leibowitz, *RAND Corporation*

Sara S. McLanahan, *Princeton University*

Robert A. Moffitt, *Johns Hopkins University*

David Myers, *Mathematica Policy Research*

Susan Newcomer, *National Institute of Child Health and Human Development*

Susan O. Philliber, *Philliber Research Associates*

Carol Roddy, *U.S. Department of Health and Human Services*

Robert F. St. Peter, *Mathematica Policy Research*

Robert Valdez, *U.S. Department of Health and Human Services*

Terry Watkins, *U.S. Department of Health and Human Services*

Kids Having Kids

A Synthesis of Project Findings

Each year, nearly one million teenagers in the United States—approximately 10 percent of all 15- to 19-year-old females—become pregnant. About one third of these teens abort their pregnancies, 14 percent miscarry, and 52 percent (or more than half a million teens) bear children, 72 percent of them out of wedlock. Of the half a million teens who give birth each year, roughly three-fourths are giving birth for the first time. Even more striking, more than 175,000 of these new mothers are 17 years old or younger. These young mothers and their offspring are especially vulnerable to severe adverse social and economic consequences. More than 80 percent of these young mothers end up in poverty and reliant on welfare, many for the majority of their children's critically important developmental years.

Due to their weak educational and skill levels, low rates of marriage, and inadequate support from nonresident fathers of their children, young mothers face significant challenges in trying to provide for their children. Partly because of their young age, very few of these mothers complete high school before their first child is born. More than 80 percent of those who are 17 or younger when they have their first child are



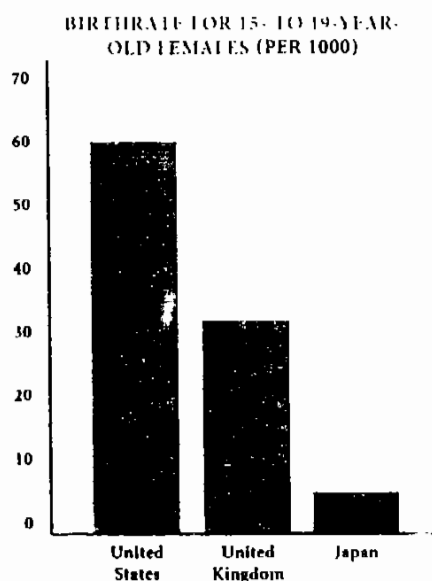
unmarried. Fewer than half of them will get married within 10 years. Only a small minority of the unwed fathers of the children born to adolescent mothers provide any ongoing economic support for their children.

Much of all this seems to be a uniquely American phenomenon. The teen birthrate in the United States is the highest of any industrialized nation, nearly twice as great as the next highest, the United Kingdom, and more than 15 times that of Japan. In addition, in 1988, the last year for which comparative data are available, a teenager in the United States was twice as likely to have an abortion as a teenager in the United Kingdom, the industrialized country with the next highest abortion rate. American teens were more than 13 times as likely to have an abortion as Japanese teens.

The public focus on adolescent childbearing as a major social issue has been fueled by three social forces. First, child poverty rates are high and rising. Second, the number of welfare recipients and the concomitant costs of public assistance have risen dramatically. And third, among those on welfare we see a much higher proportion of never-married women, younger recipients, and recipients who have long average durations

of dependency. Adolescent childbearing has both contributed to and been affected by these trends.

To better understand the full costs and consequences of adolescent childbearing, the Robin Hood Foundation commissioned some of the nation's leading scholars to research the issue. Working in teams on seven coordinated stud-

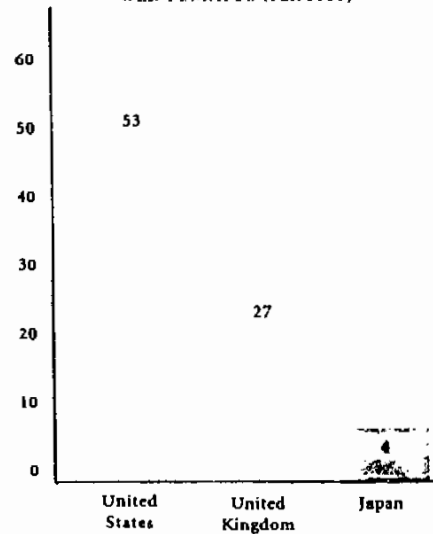


Much of all this seems to be a uniquely American phenomenon. The teen birthrate in the United States is the highest of any industrialized nation, nearly twice as great as that of the United Kingdom and 15 times that of Japan.

A RECENT STUDY IN THE UNITED STATES HAS REVEALED THAT AMERICAN TEENAGERS HAVE AN ABORTION RATE AS HIGH AS 53 PER 1,000. IN THE UNITED KINGDOM, THE INDUSTRIALIZED COUNTRY WITH THE NEXT HIGHEST ABORTION RATE, AMERICAN TEENAGERS WERE MORE THAN 13 TIMES AS LIKELY TO HAVE AN ABORTION AS JAPANESE TEENAGERS.

ies, the scholars explored the costs and social consequences of teen childbearing for the young mothers, their children, the fathers of their children, and the entire nation. An additional study of previously researched childbearing trends informed and helped round out this set of reports.

ABORTION RATE FOR 15- TO 19-YEAR OLD FEMALES (PER 1000)



The scholars focused their research on the roughly 175,000 adolescents a year who have their first baby at the age of 17 or younger. Still school age, unlikely to be married, and even less likely to be prepared for parenthood, these young mothers highlight the dimensions of the teen-pregnancy and -parenthood problems in this country. The researchers compared these young mothers with women who delay their first births until the age of 20 or 21, which is still two to three years younger than the national average age of women having their first child. The researchers chose this comparison group in the belief that a delay in childbearing until the early twenties is a long enough delay to make a meaningful difference in the life options of the young mothers and their children, and is potentially attainable through aggressive teenage pregnancy-prevention options. The teenage mothers are referred to as "adolescent mothers" throughout this report, distinguishing them from older teen mothers. Those who are 20 or 21 when they have their first child are referred to as "later childbearers."

To develop an understanding of adolescent childbearing itself, researchers attempted to untangle the pathway of early

parenting from an intricate web of social forces that influence the life course of the mothers, including the behaviors and choices leading to their adolescent parenting. The researchers began by examining the gross differences in outcomes between adolescent mothers and women who delay childbearing until the age of 20 or 21. They then applied statistical controls to apportion this overall difference into as many as three categories. First, they looked for the portion of the difference attributable to background factors such as race, ethnicity, socioeconomic class, and parents' education. Second, they accounted for the portion of the difference due to factors *closely linked* to adolescent childbearing but often difficult or impossible to measure directly—factors such as motivation, self-esteem, peer-group influence, and the impact of community.

All of the studies were able to break out these two sets of components. Two of the studies went further and isolated the effects of adolescent childbearing itself on outcomes. One accomplished this by using the randomness of miscarriages, which force a delay in the timing of the first birth. The other study utilized the fact that a woman who has more than one child is necessarily older when she gives birth to her second child. Scholars, therefore, were able to separate the effects of early childbearing from the effects of other factors that are correlated with early childbearing.

The full study is to be published in October of this year by the Urban Institute Press under the title *Kids Having Kids: Economic Costs and Social Consequences of Teen Pregnancy*. The following summarizes the scholars' major findings.

Highlights of the Study Findings

CONSEQUENCES FOR THE CHILDREN OF ADOLESCENT MOTHERS

The odds are stacked against the offspring of adolescent mothers from the moment they enter the world. As they grow, they are more likely than children of later childbearers to have health and cognitive disadvantages and to be neglected or abused. The daughters of adolescent mothers are more likely to become adolescent moms themselves, and the sons are more likely to wind up in prison.

Low-Birthweight Babies When compared to children of mothers age 20 or 21 when they had their first child, the children of adolescents are more likely to be born prematurely and 50 percent more likely to be low-birthweight babies—of less than five and a half pounds (Moore, Morrison, and Greene forthcoming). Low birthweight raises the probabilities of a variety of adverse conditions such as infant death, blindness, deafness, chronic respiratory problems, mental retardation, mental illness, and cerebral palsy. In addition, low birthweight doubles the chance a child will later be diagnosed as having dyslexia, hyperactivity, or another disability. Even after factoring out a variety of related background characteristics, the research indicates that adolescent childbearing and closely linked factors heighten the risk of low birthweight and later problems the children, their parents, and their schools must confront.

Childhood Health Problems As they grow, the children of adolescent moms tend to suffer poorer health than do the

children of women who were age 20 or 21 when their first child was born (Wolfe and Perozek forthcoming). Therefore, one would also expect them to see the doctor more often than do children of later childbearers. But, perversely, they receive only half the level of medical care and treatment their counterparts receive.

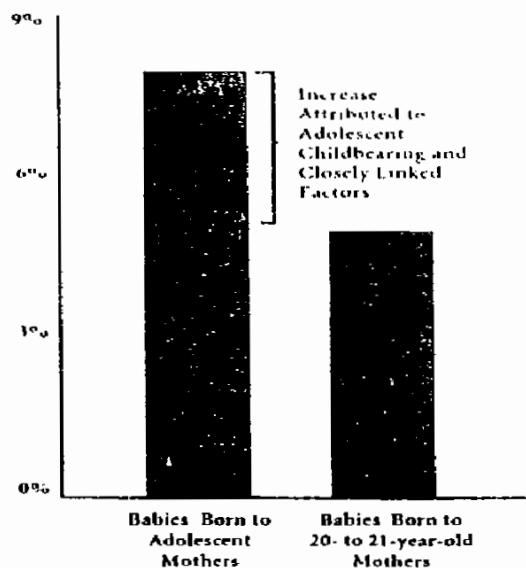
Based on parents' reports of their children's health status, children of later childbearers are much more likely to be in "excellent" health than are the children of adolescent moms: 60 percent of the children of the later childbearers are so rated, versus 38 percent of the children of adolescent mothers. Meanwhile, in his or her first 14 years, the average child of an adolescent mom visits a physician and other medical providers an average of 2.3 times per year, compared with 4.8 times for a child of later childbearers. Early childbearing and closely linked factors—such as motivation, peer group influence, and community context—account for about one third of this large difference.

On average, an adolescent mother consumes \$3,700 per year in healthcare for her children. Even though each of her children individually receives substantially less care than children of later childbearers, the typical adolescent mom annually

consumes nearly 20 percent more medical care for her children than she would if she delayed childbearing until age 20 or 21 for the very simple reason that she has, on average, more children than her older childbearing counterparts do.

Almost half of her children's medical bills—\$1,794—is paid for by the taxpayers in the form of publicly supported health subsidies. After

RATES OF LOW BIRTHWEIGHT BABIES

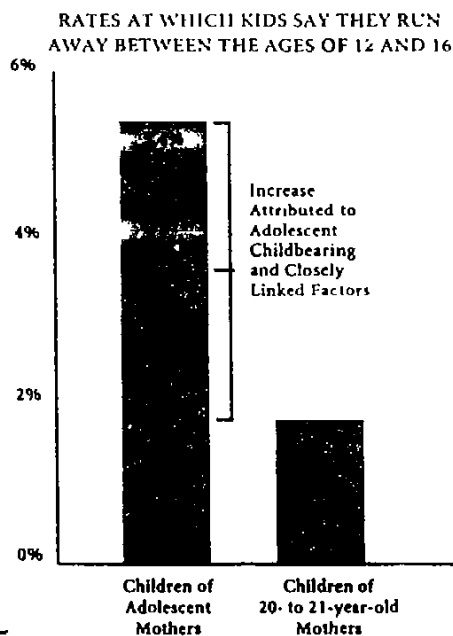


Children of adolescents moms are two to three times more likely than the children of their older childbearing counterparts to run away from home.

other variables are controlled for, including the poorer health of children of adolescent mothers, the typical adolescent mother actually consumes an average of \$562 more a year on healthcare for her children than does her counterpart who delays childbearing until age 20 or 21. At the same time, she spends \$144 a year less out-of-pocket, while the public pays \$776 more through Medicaid and other publicly funded health insurance for her children than they pay for children of otherwise similar childbearers. Based on this estimate, the health-services dimension of adolescent childbearing costs taxpayers about \$1.5 billion more each year than if girls age 17 and younger had delayed parenthood.

The Homes Where They Live Children of adolescent moms are much less likely than their peers to grow up in homes with fathers (Moore et al. forthcoming). In addition, the quality of the homes where they live is rated substantially lower than those of the comparison group, even after controlling for various background factors. This conclusion is based upon results of the widely accepted Home Observation for Measurement of the Environment (HOME) survey, which rates homes based on the emotional support and cognitive stimulation provided to children. For example, the survey analyzes the amount and quality of attention children receive from their parents and the degree to which their residences contain books, educational toys, and games.

Runaway Children Children of adolescent moms are two to three times more likely than the children of their



older childbearing counterparts to report having run away from home during those years. Five percent of adolescent mothers' children are sufficiently miserable in their homes that they report running away from it sometime between the ages of 12 and 16, compared with only about 2 percent of children born to later childbearers (Moore et al. forthcoming).

Child Abuse and Neglect Children of adolescent moms are also far more likely to be physically abused, abandoned, or neglected (Goerge and Lee forthcoming). In a study of Illinois Child Protective Service statistics, which are among the best and most comprehensive in the nation, the scholars found that children of adolescent mothers are more than twice as likely to be the victims of abuse and neglect than are the offspring of 20- to 21-year-old moms.

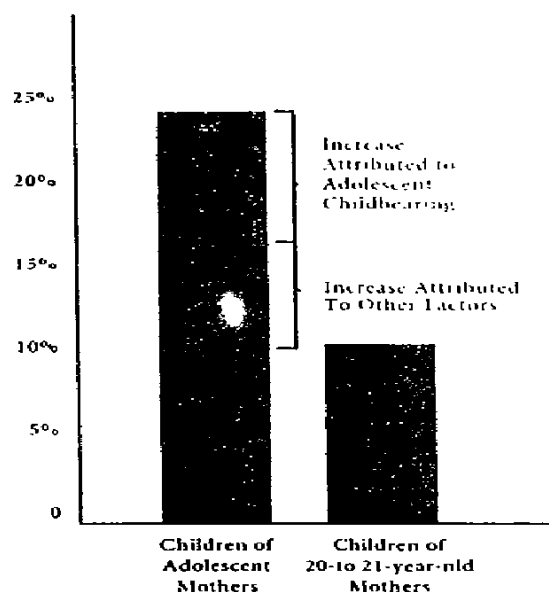
Illinois logged 109 reports of child abuse per 1,000 children born to adolescent moms and only 50 per 1,000 children in the comparison group of children born to mothers who were 20 or 21. To the extent that researchers were able to factor out the influence of background characteristics, their work shows that adolescent childbearing is a major cause of this huge margin of difference in child-abuse rates. In addition, one of every four times Illinois receives a report that a child of an adolescent mother has been abused, it finds abuse so great it places the child in foster care.

Foster Children An estimated 472,000 children are in foster care in the United States at any one time (Goerge and Lee forthcoming). Extrapolating from the Illinois study to the nation, early childbearing and closely linked factors lead to 23,600 children—an estimated five percent of all those born to adolescent mothers each year—ending up in foster care. The effect of adolescent childbearing on foster-care placement results in a taxpayer burden as high as \$900 million a year.

Trouble in School In school, the children of adolescent moms do much worse than those in the comparison group of later

childbearers (Moore et al. forthcoming). They are two to three times less likely to be rated "excellent" by their teachers and 50 percent more likely to repeat a grade. And they perform significantly worse on tests of their cognitive development, even after differences in measurable background factors have been screened out.

HIGH SCHOOL DROP OUT RATES



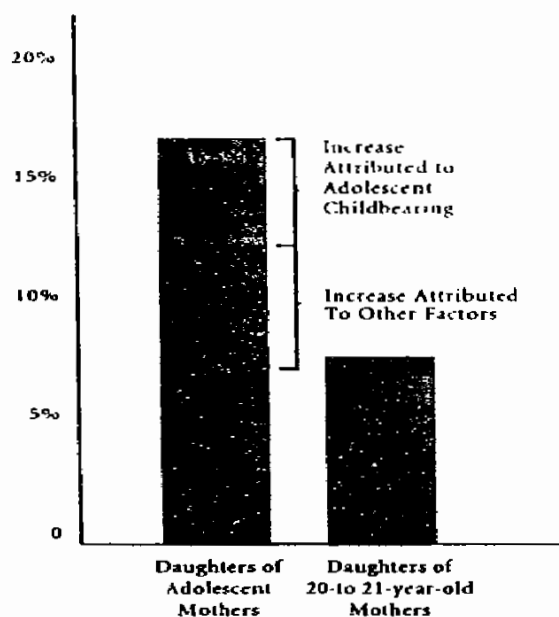
High School Drop-outs

The research suggests that performance in school does not improve as children of adolescent mothers age. They are far more likely to drop out than are children born to later childbearers (Haveman, Wolfe, and Peterson forthcoming). Only 77 percent of the children of adolescent moms earn their high school diplomas by early adulthood, compared with 89 percent of the comparison group. Although a part of this sizable difference in high school graduation-rates can be explained by background differences, 57 percent of the graduation rate gap is due to adolescent childbearing and closely linked factors.

Adolescent Mothers From One Generation to the Next

When compared with their counterparts born to older childbearers, the daughters of adolescent moms are 83 percent more likely themselves to become mothers before age 18 (Haveman et al. forthcoming). After controlling for various background factors, adolescent childbearing and closely linked factors account for about 40 percent of this difference in adolescent pregnancy rates. Teen mothers beget teen mothers at a far greater rate than older mothers do, and they are far more likely

LIKELIHOOD OF BECOMING A MOTHER
BEFORE AGE 18



to pass on their poor life prospects as a birthright. Furthermore, the daughters of teen moms, whether or not they become teen moms themselves, are 50 percent more likely to bear children out of wedlock than the comparison group.

Unproductive Lives A snapshot of adolescent mothers' children at the age of 24 reveals that roughly 30 percent of them are neither in school nor working nor

actively looking for a job (Haveman et al. forthcoming). At that point in life, they are 71 percent more likely to be unengaged productively than are peers whose mothers delayed childbearing until their early twenties. Less than half of this "economic activity" gap is attributable to observable background factors. Most of the difference is due to adolescent childbearing and closely linked factors. The research suggests though it does not spell out directly that the children of adolescent moms are less likely to attend college and more likely to work in low-skill jobs. For these and other reasons, their long-term earnings potential appears to be significantly lower than that of the comparison group born to later childbearers.

Behind Bars The teen sons of adolescent mothers are 2.7 times more likely to land in prison than the sons of mothers who delayed childbearing until their early twenties (Grogger forthcoming). Adolescent childbearing by itself accounts for 19 percent of this difference. By extension, adolescent childbearing in and of itself costs U.S. taxpayers roughly \$1 billion each year to build

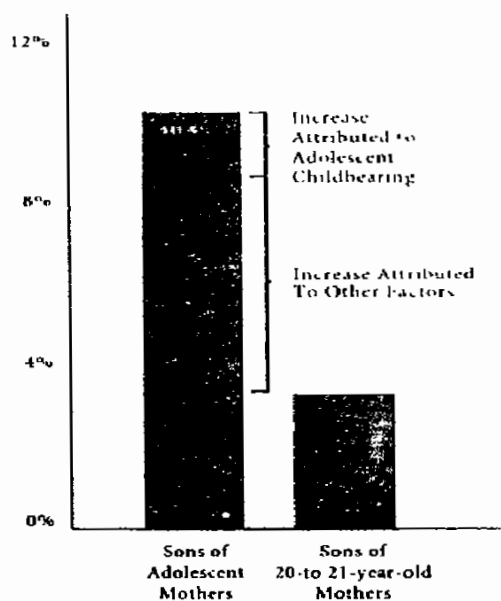
and maintain prisons for the sons of adolescent mothers. In addition to the measurable criminal-justice costs, other, less tangible costs, such as damage to people and property, are associated with criminal activity.

CONSEQUENCES FOR ADOLESCENT MOTHERS

In absolute terms, adolescent mothers face poor life prospects. Seven of 10 will drop out of high school. During their first 13 years of parenthood, adolescent moms earn an average of about \$5,600 annually, less than half the poverty level. And adolescent mothers spend much of their young adult years (ages 19 to 30) as single parents. Surprisingly, after accounting for differences in background and closely linked factors such as motivation, adolescent mothers earn only slightly less during the first 12 years of parenthood than they would be expected to earn if they delayed childbearing until age 20 or (Hotz, Sanders, and McElroy forthcoming). In contrast, over their young adult lives (ages 19 to 30), they work and earn somewhat more than do their later childbearing counterparts.

Moreover, although their sources of income differ, adolescent mothers have combined incomes from their own earnings, earnings of spouses, child support, and public assistance comparable to those of the older childbearers, after background and closely linked factors are controlled for. During their first 13 years of parenthood, they have income and medical-care assistance valued at just nearly \$19,000 annually, compared with just over \$20,000

INCARCERATION RATES OF SONS DURING THEIR YOUNG ADULT YEARS

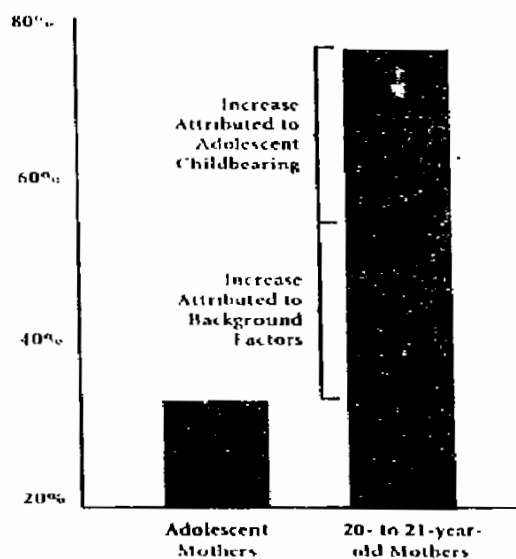


annually for their later childbearing counterparts. After netting out the effects of background and other factors closely linked to early childbearing, adolescent childbearers fare slightly better than their later childbearing counterparts in terms of their overall economic welfare having total incomes of nearly \$20,000 annually as compared with just over \$16,000 for the comparison group.

Although total economic support is not greatly affected by adolescent childbearing itself, this relatively modest level of economic support must feed more mouths than does the income of their counterparts who delay childbearing until age 20 or 21, resulting in greater poverty. Larger family sizes, together with weakened chances of stable marriage, lead to about 50 percent higher rates of welfare dependence among adolescent parents.

The really significant consequences of adolescent childbearing for the mothers are lower levels of educational attainment, higher rates of single parenthood, larger family sizes, and greater reliance on public assistance. Even after parsing out the effects of background and closely linked factors that can explain some of the observed differences in outcomes between adolescent mothers and their later childbearing counterparts, the research shows that adolescent childbearing itself accounts for a

RATES AT WHICH MOTHERS EARN A HIGH SCHOOL DIPLOMA



50 percent lower likelihood of completing high school, 24 percent more children, and 57 percent more time as a single parent during the first 13 years of parenthood.

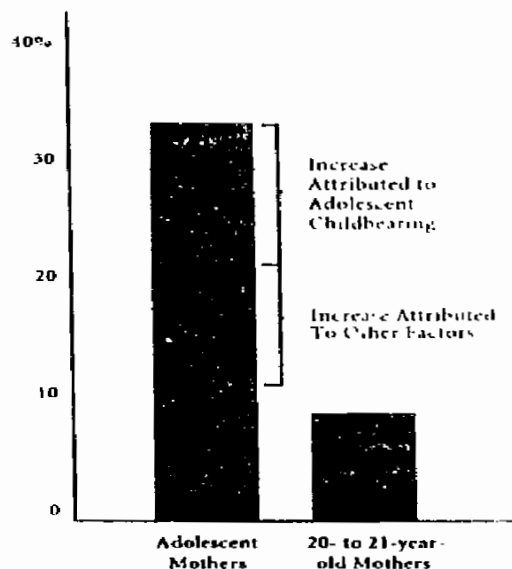
Dropping Out of High School Pregnancy and parenting pose major challenges to full-time school attendance. As a result, adolescent mothers drop out at a staggering rate, and

those who have already dropped out are less likely to return to school (Hotz et al. forthcoming). Only about three of 10 adolescent mothers earn a high school diploma by age 30, compared with nearly 76 percent in the comparison group of women who delay childbearing until age 20 or 21. Controlling for a wide range of background variables, scholars found that adolescent childbearing alone accounts for more than 40 percent of this difference in graduation rates. Looked at another way, adolescent childbearing, at its current rate, is directly responsible for over 30,000 adolescent girls in the U.S. annually not completing high school.

All of the school completion gap will be made up by adolescent mothers earning General Education Development (GED) certificates at higher rates than do their older childbearing counterparts. However, an emerging body of research suggests that, although a GED may enhance the earnings potential of school dropouts, it does not close the entire earnings gap.

Single Parenthood Adolescent moms spend nearly five times more of their young adult years as single parents than do women who have their first child at age 20 or 21—four years versus ten months (Hotz et al. forthcoming). The research indicates that adolescent childbearing itself is responsible for half of this difference. These same mothers would have spent an average of only 2.7 years as single parents if they had delayed childbearing until age 20 or 21. Also, children who grow up in the homes

PERCENTAGE OF TIME THROUGH AGE 30
SPENT AS SINGLE PARENT



of single moms are one and a half to two times more likely to become teen parents themselves than are children who live in two-parent families.

Employment and Earnings Although the employment levels and earnings of adolescent mothers are low, early childbearing is *not* the cause (Hotz et al., forthcoming). The research shows that virtually all of the large observed differences in hours of employment and earnings between adolescent mothers and older childbearers result from factors other than their decisions regarding when to begin their families. For example, during young adulthood, adolescent mothers exert more work effort than do their peers, perhaps out of necessity. After background and other compounding factors are controlled for, adolescent mothers work an average of 831 hours per year during their early adulthood (ages 19 to 30), which is 34 percent more than their later childbearing counterparts.

Significant numbers of adolescent mothers join the work force as their children begin preschool and kindergarten, a time when many counterpart moms are beginning to spend time at home with their babies. However, during the first 13 years of parenthood, adolescent mothers and their comparison group work similar hours: 691 and 762 hours per year, respectively—roughly 14 hours a week on average.

Most striking is the finding that both groups of women have desperately low earnings despite moderate levels of work effort. Controlling for background and closely linked factors, adolescent moms and their comparison group earn only about \$5,700 and \$6,200 annually, respectively, during their first 13 years of parenthood.

The average \$6,323 annual earnings of the adolescent mothers during young adulthood (ages 19 to 30), though extremely low, is more than 32 percent above the \$4,801 average annual earnings of their later childbearing counterparts. This difference is due entirely to their greater work effort during their mid- to late twenties.

Total Income and Welfare Adolescent mothers have slightly lower total family income during their early years as parents than they would have had if they had delayed childbearing until their early twenties (Hotz et al. forthcoming). However, the typical adolescent mother enters the work force and marries at a younger age than does her later childbearing counterpart, resulting in 22 percent higher total income during her young adult years (ages 19 to 30).

From either time perspective—the early years of parenting or young adulthood—adolescent parents have a different profile of income sources than do the comparison mothers. Both groups get roughly 30 percent of their total support from their own labor. However, adolescent mothers get a lower share of their total support from the fathers of their children and their spouses and higher shares from public assistance.

During their first 13 years of parenthood, adolescent mothers get less income from their own earnings, substantially less from earnings of their spouses, and more from public assistance. During their young adult years, when most of the children of adolescent mothers are school age and while comparison mothers have infants and toddlers, the adolescent mothers receive a slightly higher share of their income from their own labor and less from public assistance.

The adolescent mothers' earnings represent just under one third of their average \$17,216 annual income (including the value of food stamps) during the first 13 years of parenthood. In addition, they receive for their children publicly supported medical care valued at roughly \$1,517 annually. Despite high rates of single parenthood, adolescent mothers with a resident father receive substantial help from their spouses. Adolescent moms receive nearly half of their family's income—\$9,000 to \$10,000 per year—from resident fathers and spouses. Nonresident fathers, on the other hand, contribute less than five percent of the total income; 11 percent comes from welfare and food stamps; and 8 percent is medical assistance for their children.

These findings are consistent with previous research showing that the majority of adolescent mothers live in poverty during the years their children are growing up. More than 70 percent of them end up on welfare, and 40 percent will be on welfare for five years or more during the decade after their first birth.

Adolescent mothers receive 50 percent more welfare assistance than do the comparison group of women who have their first child at age 20 or 21, partly because women who are 20 or 21 when they have their first child marry at higher rates and can count on greater support from their spouses. Still, while their children are in the preteen years, adolescent mothers have to make do with only 92 percent of the average level of income support of their comparison group counterparts. Moreover, adolescent moms have, on average, 2.6 rather than 2.0 child to raise. Therefore, when measured against the poverty index, which accounts for family size, the typical adolescent mom and her children are significantly poorer than their counterparts, despite their slightly higher earnings and the much higher public-assistance they receive.

CONSEQUENCES FOR THE FATHERS

Boys are one third as likely as girls to become adolescent parents, according to recent studies of teen sexuality and childbearing (Alan Guttmacher Institute 1994). Each year fewer than 60,000 boys age 17 and younger father children for the first time. The fathers of children born to adolescent mothers are, on average, two and a half years older than the mom; in one fifth of the cases, they are at least six years older (Alan Guttmacher Institute 1994). Recent research also suggests that the incidence of pregnancy among adolescent girls often is the result of sexually predatory behavior of older men. Although the *Kids Having Kids* scholars found that the consequences of adolescent childbearing on both young and older fathers are not as sharp as the effects on mothers and their children, they did discover some impacts, especially on younger dads.

Adolescent Dads

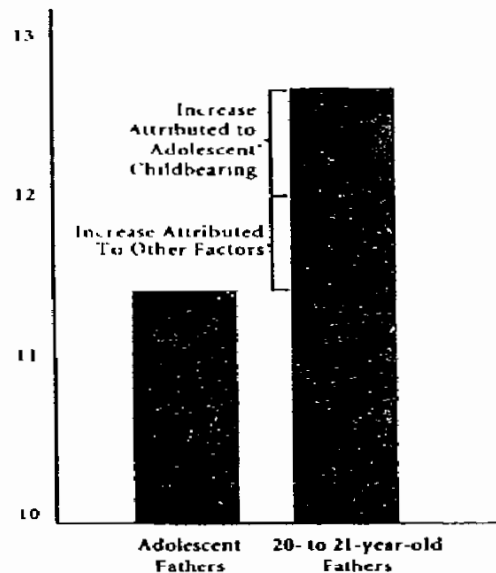
Adolescent dads will finish an average of only 11.3 years of school by the age of 27, compared with nearly 13 years by their counterparts who delay fathering until age 21 (Brien and Willis forthcoming). After the effects of various background variables are screened out, adolescent childbearing and closely linked factors account for adolescent dads finishing one semester less school than the comparison group of older fathers.

In many cases, the semester may be the pivotal one that determines whether a high school senior will graduate or drop out.

By age 27, adolescent fathers earn, on average, \$4,732 less annually than the comparison group of men who delay fathering until age 20 or 21 (Brien and Willis forthcoming). Although just over half of this difference is explained by background factors, the research suggests that an average of \$2,181 in lower earnings per year is due to adolescent parenting and closely linked factors. As a consequence, adolescent dads are not as prepared as their comparison-group counterparts to contribute financially to the well-being of their young families or—when they do not live with the mothers—to pay child support.

Dads of Children Born to Adolescent Moms Over the 18 years following the birth of their first children, the dads of children born to adolescent mothers earn, on average, \$10,712 per year (in 1996 dollars), compared with \$13,796 for the male partners of delayed childbearers (Brien and Willis forthcoming). This means they have about \$3,000 less per year at their disposal

YEARS OF SCHOOL COMPLETED BY FATHERS THROUGH THE AGE OF 27



to help support their children and families. Roughly half of these lower earnings are explained by various background factors.

Little of the increased earnings that would result from delayed childbearing is likely to benefit the adolescent mothers and their children. Benefit can be felt only when the parents live together or the father pays child support, but currently only 19 percent of adolescent mothers wed the fathers of their first child before or shortly after the birth of the child. And earlier research demonstrates that a small fraction of nonresident fathers of children born to adolescent mothers pay child support on any regular basis. Currently, only 15 percent of never-married teen moms are ever awarded child support, and those with orders receive, on average, only one third of the amount originally awarded (Congressional Budget Office 1990).

Meanwhile, the *Kids Having Kids* researchers found that fathers who do not marry the adolescent mothers of their children have incomes sufficient for society to expect them to contribute support at a level that would offset as much as 40 to 50 percent of the welfare costs to the adolescent mothers and their families. More rigorous paternity establishment and child-support enforcement could provide gains for children and the rest of society.

COSTS OF ADOLESCENT CHILDBEARING FOR THE NATION

How much does adolescent childbearing cost the United States? Even the very best data, which were culled, arranged, and analyzed for the purpose of this study, cannot possibly give a complete or precise figure. Still, this study gives the clearest estimates to date. It controls for background factors and, where possible, closely linked factors to isolate the economic costs to the nation and to society caused by adolescent childbearing.

Costs to the U.S. Taxpayers In looking at five important dimensions of the problem, researchers estimate that

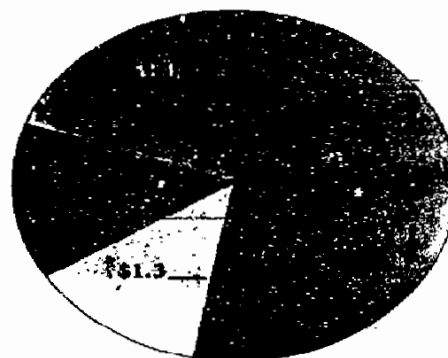
adolescent childbearing itself costs the taxpayers \$6.9 billion each year. The higher public-assistance benefits—welfare and food stamps combined—caused by adolescent childbearing cost the taxpayers \$2.2 billion. The increased medical-care expenses cost \$1.5 billion. Constructing and maintaining prisons to house the increased number of criminals

caused by adolescent childbearing costs about \$1 billion each year, and the increased costs of foster care are only slightly less at \$.9 billion. Due to the sizable effect of adolescent childbearing on the work patterns of fathers, the United States incurs a nontrivial loss of tax revenue—\$1.3 billion annually.

The cost to taxpayers of adolescent childbearing *together with* the other disadvantages faced by adolescent mothers is between \$13 billion and nearly \$19 billion per year—this is the amount the taxpayers would save if a policy successfully delayed adolescent childbearing *and* successfully addressed these other disadvantages.

Social Costs Beyond the taxpayer expenses described above, another important consequence of adolescent childbearing is a loss in national productivity. A society using its energy and resources to mitigate the problems caused by teen childbearing is unable to expend those resources for more productive purposes. Based largely on the diversion of its resources toward the increased health care, foster care, and incarceration rates apparently caused by adolescent childbearing, researchers calculated a social cost to the nation of just under \$9 billion per year. That figure utilizes the tightest controls for various background factors. When researchers control for a

COST OF ADOLESCENT CHILD BEARING ITSELF TO TAXPAYERS (IN BILLIONS OF DOLLARS)



TOTAL: \$6.9 Billion

Increased
Incarceration
Expenses

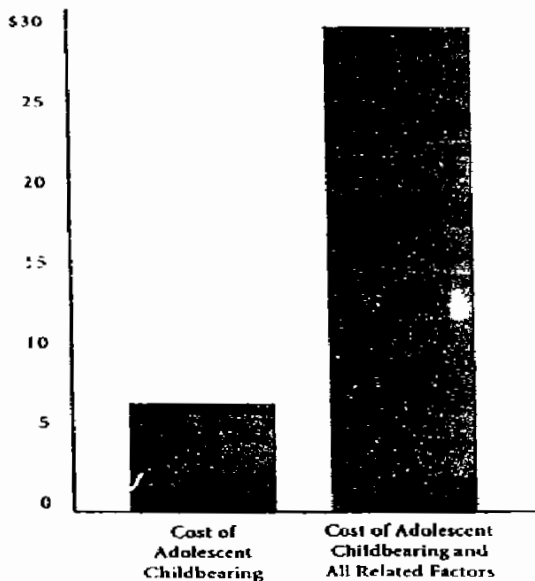
Increased
Welfare and
Food Stamp
Benefits

Increased
Medical Care
Expenses

Loss of Tax
Revenue

Increased
Foster Care

**COST OF ADOLESCENT
CHILDBEARING TO SOCIETY
(IN BILLIONS OF DOLLARS)**



moderate range of background factors, they calculate the social cost of adolescent childbearing at \$21 billion per year.

The gross annual cost to society of adolescent childbearing and the entire web of social problems that confront adolescent moms and ultimately lead to the poorer and sometimes devastating outcomes for their kids is calculated to be \$29 billion.

Unmeasured Costs These are probably lower-bound

estimates of the cost of adolescent childbearing. They do not take into account—because the research data are unavailable—all potentially relevant costs to society in terms of lost productivity and wasted resources. For example, adolescent childbearing is associated with higher levels of learning disabilities and social problems among children, which impact the costs of education and social services and lead to lost productivity. More important, this framework does not include the compounding intergenerational effects of adolescent childbearing that are strongly suggested by the research. Finally, the report examines only the costs of adolescent childbearing when the mother is 17 years of age or younger, which represents only about 45 percent of first-time teen mothers. A similar pattern of adverse consequences, albeit more modest, was observed for older teens.

BEST COPY AVAILABLE

ABOUT THE ROBIN HOOD FOUNDATION

The Robin Hood Foundation was created as a public charity in 1988 to fund and provide management help to the best and most innovative programs serving poor people in New York City. Since then, the foundation has provided more than \$35 million in money, volunteer resources and material goods to these programs. Robin Hood has supported a wide range of poverty-fighting projects, including housing for the homeless, medical help for the sick, job training for the jobless, hospice care for people with AIDS, drug treatment for the addicted, and soup kitchens for the hungry.

But from the very beginning, Robin Hood's primary aim was—and continues to be—to develop the best programs and schools for young children and teenagers living in poverty. In the course of visiting and working with hundreds of youth programs, Robin Hood has observed first-hand the pervasive and damaging impact of adolescent childbearing in the city's very poorest communities. The foundation has also witnessed the profound impact of programs that help children delay parenthood until they grow up, graduate from school, get married and become emotionally and financially ready to rear children of their own. Through its very direct community-level work, Robin Hood has increasingly explored the larger dimensions of adolescent childbearing in New York City and the nation. In this context, the foundation commissioned this report on the costs and consequences of adolescent childbearing.

BEST COPY AVAILABLE

The Robin Hood Foundation Board of Directors

Paul Tudor Jones II, *Chairman*

Peter D. Korman III, *Vice Chairman*

Peter F. Borish

Geoffrey Canada

Maurice Chessa

Stanley Druckenmiller

Glenn R. Dubin

Marian Wright Edelman

John J. Kennedy

Mary McCormick

Jann S. Wenner

David Salzman, *Executive Director*

Lisa Smith, *Deputy Director*

The Robin Hood Foundation

111 Broadway, 19th Floor

New York, New York 10006

Telephone: 212-227-6601

Fax: 212-227-6698

BEST COPY AVAILABLE

30